



600 Old Country Road, Suite 230, Garden City, NY 11530
 Tel: 516-357-0056 Fax: 516-357-0069
 www.llalawfirm.com
 sml@llalawfirm.com

Steven M. Lester
 Robert J. La Reddola

Saradja Paul

USDC SDNY
 DOCUMENT
 ELECTRONICALLY FILED
 DOC #:
 DATE FILED: 12/27/2023

December 22, 2023

BY ECF

Hon. Valerie Caproni, U.S.D.J.
 United States District Court, S.D.N.Y.
 40 Foley Square, Room 240
 New York, New York 10007

MEMO ENDORSED

Re: *Laurence A. Pagnoni v. Michael L. Taylor, et ano.*,
 Civil Action No. 23-cv-9454 (VEC)

Dear Judge Caproni:

We represent Plaintiff Laurence A. Pagnoni in the above action. We write pursuant to the Court's October 31, 2023 Notice of Initial Pretrial Conference [Dkt. 8], which required the parties to submit a joint letter on or before December 28, 2023 to address various aspects of the case. Since Defendants are in default [*see* Dkt. 18 & 19] and my office has received no contact from attorneys on Defendants' behalf, only Plaintiff's counsel has prepared this letter.

Description of the Case; Factual and Legal Bases for Claims

Plaintiff Laurence A. Pagnoni brings this civil action for breach of contract and a declaratory judgment resulting from Defendants' failure to fulfill numerous financial and other contractual obligations under a Redemption Agreement and Share Transfer Agreement with Plaintiff. Under these agreements, Defendants were to redeem Plaintiff's ownership interest in his eponymous fundraising firm that he founded in 1995. Plaintiff steadily grew his firm for over 25 years into a recognized, industry-leading fundraising organization for not-for-profit institutions. However, as is common in the buyout of a service firm's founder, the successor – here individual defendant Michael L. Taylor – has mismanaged the business and has not fulfilled his and the firm's financial obligations to Plaintiff and to many of the firm's creditors.

Plaintiff seeks the balance due him under the parties' agreements, his reasonable attorneys' fees and expenses, and a declaratory judgment that Defendants must indemnify Plaintiff for various outstanding liabilities against the corporate defendant on which Plaintiff remains an individual guarantor. Some of these obligations to third parties are in default. Plaintiff expects litigation against him on the guaranties will commence soon.



Hon. Valerie Caproni, U.S.D.J.
December 22, 2023
Page 2

Contemplated Motions

The Clerk of the Court has issued Certificates of Default for both Defendants [see Dkt. 18 & 19]. Plaintiff intends to make a motion for judgment by default the first or second week of January 2024.

Subject Matter Jurisdiction

Subject matter jurisdiction is based on diversity of citizenship of the parties. Plaintiff is a citizen of Massachusetts. Defendants are citizens of New York. The amount in controversy exceeds \$75,000.00.

Prospect for Settlement

The prospect for settlement is unknown considering Defendants' default in pleading. My office's last communication from Mr. Taylor was on November 17, 2023 at 4:21 p.m. Mr. Taylor emailed me in response to my forwarding to him information about when Defendants' response to the summons and complaint was due. Mr. Taylor acknowledged receipt of my email, was aware of the lawsuit, and stated, in part, "Thanks for the email, legal counsel has been advised and will respond to the summons...."

My office has not been contacted by any attorney on behalf of either Defendant.

No Need for Rule 16 Conference

Given Defendants' default in pleading, there is no need to conduct a Rule 16 Initial Pretrial Conference.

Accordingly, Plaintiff respectfully requests the Court cancel the Rule 16 conference scheduled for January 5, 2024 at 10:00 a.m. Plaintiff will move for judgment by default pursuant to the Court's Individual Practices in Civil Cases shortly after the New Year holiday.

We remain available to address any of Your Honor's questions or concerns.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "S. M. Lester".

Steven M. Lester

cc: Mr. Michael L. Taylor (by email)

Application GRANTED. The Initial Pretrial Conference scheduled for January 5, 2024, at 10:00 A.M. is CANCELED.

Plaintiff must file a proposed order to show cause why default judgment should not be entered against Defendants, in accordance with the Undersigned's Individual Practices, by no later than **Friday, January 12, 2024**.

Plaintiff must serve a copy of this endorsement on Defendants and file proof of service on the docket by no later than **Friday, December 29, 2023**.

SO ORDERED.

A handwritten signature in blue ink, appearing to read "Valerie Caproni", is written over the printed name.

12/27/2023

HON. VALERIE CAPRONI
UNITED STATES DISTRICT JUDGE